

caused masses of people to stream toward the border and the maquiladora zones in search for jobs.

The North American Development Bank, which was established to help local communities build their human and physical infrastructures, has been an abject failure. It should promote economic investment in those regions of Mexico and the United States where jobs have been hollowed out due to NAFTA, or infrastructure is needed. Bank assets could be enhanced by financial contributions that flow from trade-related transactions.

CREATE NEW CONTINENTAL LAW ENFORCEMENT BODY TO COMBAT GROWING CRIME ALONG U.S.-MEXICO BORDER REGION RELATED TO BORDER WORKERS, DRUGS, AND UNSOLVED MURDERS OF HUNDREDS OF MEXICAN WOMEN

The United States Departments of Labor and Homeland Security should be tasked not only with stopping the trafficking of bonded laborers but devising a continental labor identification card. Along with mass migration, the border has seen an explosion in the illicit drug trade. Law enforcement officers on both sides of the border must battle smuggling in narcotics and persons. A continental working group should be directed to recommend a new solution for combating crimes that result from the illegal drug and bonded worker trade that spans the border.

NAFTA AT TEN (1993-2003)

Congress narrowly passed the North American Free Trade Agreement (NAFTA) in November 1993, after an emotional and protracted political struggle that engaged the entire nation. (Final Vote: 234-200—Republican: 132 ayes; 43 noes. Democrats: 102 ayes; 156 noes. Independent: 1 no)

Wall Street confronted Main Street. The full weight of the legislative battle was best reflected in House deliberations (<http://thomas.loc.gov>). Never had a trade fight garnered this type of attention from the general public. Multinational corporations, many displaying their products on the White House lawn and using offices in the U.S. Capitol itself, lobbied hard to change the laws and relationships that govern wages and working conditions for the majority of America's workers.

The workers and people of U.S., Canada, and Mexico all would be affected in major ways. Their livelihoods, communities, and the standard of living on the continent were at stake. Congress became the only venue in which their concerns were given some voice.

The evaluation of America's ten-year experience with this agreement is crucial. In 2004, debates loom over expansion of NAFTA into other poor and middle-income countries in Latin America through the Central American Free Trade Agreement (CAFTA) and the Free Trade Area of the Americas (FTAA).

Is the "NAFTA trade model" worthy of expansion? Or does it need to be fixed?

NAFTA was a precedent-setting economic agreement. At the time of its passage "free trade" was relatively a new concept. It had been employed in rare circumstances, only recently in U.S. history, just since 1985, when the U.S. signed a "Free Trade" agreement with Israel to eliminate all duties on trade between the two countries over a six year period. Certain non-tariff barriers remained for agricultural products. But Israel was a small country with a middle class population of six million. Its integration with the U.S. market of over 250 million consumers at the time was accomplished with minimal disruption. Unfortunately, NAFTA's flawed, untested architecture has served as the "model" for successive trade agreements negotiated by the U.S. with developing nations which have huge impoverished populations, such as China. As a result, the U.S. has amassed

trade deficits with most nations in the world and, a loss of U.S. jobs and growing stress on middle class living standards.

The NAFTA "agreement" should actually have been negotiated as a "treaty" due to its wide-ranging impact—socially, economically, environmentally, and politically. Yet, its authors cagily used the legislative vehicle of an "agreement" to stifle debate since Congress cannot amend trade agreements. A "treaty" would have allowed much closer scrutiny allowing time for amendment and full debate. A treaty would have been a more appropriate approach in view of the collateral damage NAFTA has caused especially to poor and working people across our continent. NAFTA is very imperfect legal basis on which to forge the terms of engagement for the people of the American continent.

REFORMING THE TRADING BLOCK PARADIGM

One of NAFTA's central aims was to stimulate a North American trading bloc that could compete with anticipated competition from a unified European Union. As well, Japanese-Asian integration had been already eating into global market share the U.S. had dominated, particularly automotive production. But rather than addressing root causes of market dysfunction and growing U.S. trade deficits—the managed market and regulated trade approaches being employed by European and Asian competitors to gain global edge—with NAFTA, the U.S. chose a low wage strategy. This has had real consequences.

Mexico's workers have been dispossessed by a global economic system that preys on their weakness rather than securing for them the rights and opportunities won by first world workers over the last two centuries. There has been no improvement in economic conditions for the vast majority of workers of Mexico since NAFTA. Moreover, U.S. workers continue to lose middle class jobs. A similar plight afflicts the European Union as it struggles to integrate the corruption-ridden, emerging states of the former Soviet Union. In Asia, Japan—the second largest market in the world—remains a closed and a formidable economic powerhouse having surpassed the U.S. in 1985 as the world's premier auto producer. Its protected internal market and bold manipulation of Chinese, Korean, and other Asian labor-intensive operations has allowed it to gain growing market strength. It secures its internal production, exploits cheap labor elsewhere, and exports those goods to first world markets or invests in them.

NAFTA aimed at continental "free trade", i.e., tariff elimination, between U.S., Mexico and Canada. Yet by the early 1990's, most tariffs already had been reduced between the three nations, with an effective overall tariff rate of about two percent. Indeed, NAFTA concerned something else. Its unstated aim was to provide a government sanctioned insurance scheme for rising investments by transnational corporations in low wage nations starting with Mexico, which was close to the U.S. market, and where subsistence labor was plentiful. NAFTA accelerated the shipping out of U.S. jobs. For unlike tiny Israel, the populations of Mexico and Canada totaled over 125 million persons: Mexico's largely poor population equals over 100 million and its workers fearful about organizing trade unions to gain living wages. The low wage pull was irresistible.

By the early 1990's, the U.S. was already falling behind Europe and Asia as its global trade deficit in goods rose with each passing year. With NAFTA's passage, the export of U.S. jobs to Mexico exploded. Mexico started to import vast quantities of Chinese products that then backdoored their way into the U.S. The U.S. job market began to shift mil-

lions of jobs to third world environments as reflected in rising global trade deficits. Outsourcing of production and services, even of American icon products like Amana, Brach's, Hoover, and the PT Cruiser, became commonplace and accelerated.

The SPEAKER pro tempore (Mr. REICHERT). Under a previous order of the House, the gentlewoman from California (Ms. WOOLSEY) is recognized for 5 minutes.

(Ms. WOOLSEY addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina (Mr. JONES) is recognized for 5 minutes.

(Mr. JONES of North Carolina addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arizona (Mr. FLAKE) is recognized for 5 minutes.

(Mr. FLAKE addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana (Mr. BURTON) is recognized for 5 minutes.

(Mr. BURTON of Indiana addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California (Ms. LEE) is recognized for 5 minutes.

(Ms. LEE addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. GUTIERREZ) is recognized for 5 minutes.

(Mr. GUTIERREZ addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Texas (Ms. JACKSON-LEE) is recognized for 5 minutes.

(Ms. JACKSON-LEE of Texas addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. MEEK) is recognized for 5 minutes.

(Mr. MEEK of Florida addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)